**Cleaning of Gomti**

*118. SHRI SHIV PRATAP MISHRA: Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

(a) whether Government propose to clean up Gomti and some other rivers in U.P.; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF ENVIRONMENT & FORESTS (SHRI KAMAL NATH): (a) and (b) Cleaning of the polluted stretches of Gomti, Yamuna, Hindon and Kali in U. P. is proposed to be included under the Ganga Action Plan Phase II which is under formulation.

**Environmental clearance to Dholpur Power Plant**

*119. SHRI RAMDAS AGARWAL: Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

(a) whether the State Government of Rajasthan had been requesting his Ministry since long to give the required environmental clearance for setting up a Power Plant at Dholpur; and

(b) if so, what are the reasons for delay in giving the environmental clearance and by when a final decision is likely to be taken by the Central Government so as to save further escalation in the cost of the project?

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF ENVIRONMENT AND FORESTS: (SHRI KAMAL NATH): (a) and (b) The Dholpur Thermal Power Plant project was first referred to the Ministry in April, 1985 and was rejected due to the site being environmentally incompatible. Since the new site proposed in May, 1991 is also not considered suitable, the State authorities have been advised in July, 1991 to select an alternate site in conformity with environmental guidelines. This proposal is still awaited from the State Government. A decision is usually taken within a maximum period of 3 months after receipt of complete details.

**Extensive changes in lending programmes by financial institutions**

*120. SHRI PASUMPON THA. KIRUTTINAN: Will the Minister of FINANCE be pleased to state:

(a) whether the financial institutions are in for an extensive change in lending programmes;

(b) if so, what are the details thereof; and

(c) the extent to which these changes will have their effect on industrial growth and price structure?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH (a) and (b) Government would expect the lending strategies and programmes of the All India term lending institutions to respond effectively to the industrial, trade and other economic policies of the Government and to the emerging industrial Environment, state of industry and the nature and type of projects seeking financial assistance. While extensive changes in their lending programmes are not contemplated, Government has recently deregulated the lending interest rates (subject to a floor of 15 per cent per annum) of those institutions which provide credit to the non-SSI sector. As a consequence it is expected that these institutions, which have been facing an acute resources constraint, would be able to borrow henceforth on market related terms, and would also restructure the terms and conditions of their lending programmes so as to cover their borrowing costs. It is also expected that debt equity ratios and desired promoters' contributions will be

altered by these institutions so as to ensure a better match between the commercial needs of industry, the availability of resources with the institutions and in the capital market, and the demands of commercial viability. It is also expected that the precise interest rate charged to a borrower will be determined by the institutions' perception of the borower's credit worthiness.

For the SSI sector, Government has suggested that the lending rates of interest to borrowers who avail of finance from the Small Industries Development Bank of India (SIDBI) through banks and State Financial Corporation (as well as the direct finance also undertaken by SIDBI) should be on par with the lending rate fixed by the Reserve Bank of India (RBI) for term loans given by commercial banks to the SSI sector out of the banks own resources.

(c) The deregulation of interest rates is expected to result in more cost effective utilisation of capital and thereby enhance the efficient production of goods and services in the economy. In the long run this is unlikely to have an adverse impact on either industrial growth or the price structure.

**Review of priorities for economic Reforms**

232. SHRI KRISHAN LAL SHARMA: Will the Minister of FINANCE be pleased to state:

(a) what was the wholesale price index at the end of December, 1989, November, 1990, December, 1990 and June, 1991;

(b) what was the administered price of coal and steel at each point of time;

(c) what had been the rate of price rise and inflation during the period from December, 1989 to June, 1991;

(d) what is the latest position in this respect; and

(e) whether in view of the price behaviour so far, Government propose to review its priority for economic reforms and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (c) to (d) The Wholesale Price Index (WPI), rate of price rise and inflation for time points referred to in the question are given below:

| Period ending | WPI (Base: 1981-82 -100) | % age increase in prices from Dec. 1989 upto. |
|---|---|---|
| December, 1989 | 106.4 | — |
| November, 1990 | 185.3 | 11.4 |
| December, 1990 | 187.4 | 12.6 |
| June, 1991 | 194.4 | 18.0 |
| August 10, 1991 (Latest Available) | 204.9 | 23.1 |

(b) The administered price of (i) coal and (ii) steel at each point of time referred to in part (a) of the question are given below:—

(i) COAL: The coal prices at the end of December, 1989 were Rs. 249 per tonne for coal produced by Coal India Ltd. and Rs. 297 per tonne for coal produced by Singareni Collieries Ltd. The prices of soft coke at end of December, 1989 were Rs. 175 per tonne for domestic use and Rs. 300 per tonne for industrial use. The prices of coal (all categories) have remained unchanged since then.